GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2637
ANSWERED ON:13.03.2000
SELF SUFFICIENCY IN POWER SECTOR
RANEE NARAH

Will the Minister of POWER be pleased to state:

(a) whether experts have suggested that India needed an energy revolution on the lines of green revolution to make India self-sufficient in the field of power;

(b) if so, whether the Government are considering any concrete measures in this regard;

(c) if so, the details thereof; and

(d) the steps taken/proposed to be taken by the Government to make the country self-sufficient in the power sector?

Answer

THE MINISTER OF POWER

(SHRI P.R. KUMARAMANGALAM)
(a) to (d) : The Government is not aware of an energy revolution suggested by any expert. However, according to the perspective planning studies carried out by Central Electricity Authority, an installed capacity of 2,40,000 MW would be required by the end of 11th Plan (2011-12) to meet the demand of 1,76,647 MW as forecast by 15th Electric Power Survey (EPS) Report.

In order to increase the installed capacity, the Government opened the power sector for private sector participation by amending the Electricity (Supply) Act, 1948 in 1991. Thereafter, a series of measures have been taken to encourage inflow of private capital in the power sector. They include :-

(i) streamlining of procedures.

(ii) raising the limit of foreign equity to 100% provided it is less than Rs.1500 crore.

(iii) introduction of the Electricity Laws (Amendment)Act, 1998 recognising transmission as a distinct activity and paving the way for private sector investment on transmission.

(iv) providing counter guarantees to seven out of eight initial fast track projects.

(v) delegation of powers to the states in order to reduce gestation time of projects.

The Government has also introduced a Hydel policy in August, 1998 and a revised mega policy in November, 1998. The current focus of the Government is on reforms and restructuring. While the Central Electricity Regulatory Commission was set up in 1998, fourteen such State Commissions have also been set up in as many States. The primary task of the Commissions would be to decide generation and transmission tariffs which, would improve the financial health of the State Electricity Boards. The other thrust areas of the Government are Renovation and Modernisation and strengthening of the transmission and distribution systems. Both these measures would improve power availability in the country.